

# **NOTICE OF PUBLIC HEARING**

## **DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS INSURANCE DIVISION PROPOSED AMENDMENTS TO ADMINISTRATIVE RULES RELATING TO MEDICARE SUPPLEMENT INSURANCE MINIMUM STANDARDS**

Notice is hereby given that the Department of Commerce and Consumer Affairs, pursuant to Chapter 91, Hawaii Revised Statutes ("HRS"), and Section 431:2-201, HRS, will hold a public hearing as follows:

Date: November 21, 2002  
Time: 9:00 a.m.  
Place: Kapuaiwa Room, 2nd Floor  
Department of Commerce and Consumer Affairs  
1010 Richards Street  
Honolulu, Hawaii

for the purpose of receiving testimony on proposed rules to be amended to the following chapter of the Hawaii Administrative Rules ("HAR"):

Title 16, Chapter 12, entitled "Medicare Supplement Insurance Minimum Standards."

The purpose of the proposed rules amendments is to conform Medicare Supplemental Insurance Minimum Standards to recently adopted changes to Medicare Supplemental Insurance ("Medigap") by the federal Medicare, Medicaid, and SCHIP Benefits Improvement and Protection Act of 2000, effective December 20, 2000, and to make technical, non-substantive changes. The changes involving proposed rules are summarized below:

§16-12-5.4 entitled "Minimum benefit standards for policies or certificates issued for delivery prior to September 3, 1992" subsection (c)(6) is amended to clarify the term "co-insurance amount" to include prospective payment system's copayment amounts.

§16-12-5.5 entitled "Benefit standards for policies or certificates issued or delivered on or after September 3, 1992" subsection (b)(7)(C) is amended to provide for the payment of policy premiums in order to reinstitute coverage retroactively.

Subsection (b)(7)(D) is amended to clarify the scope of the reinstitution of coverage provisions.

Subsection (c)(5) is amended to provided that the basic benefits common to all benefit plans shall, in all cases involving hospital outpatient department services paid under a prospective payment system, the issuer is required to pay the copayment amount established by the Health Care Financing Administration.

§16-12-6.2 entitled "Open enrollment" is amended to allowed otherwise qualified individuals to enroll without regard to age.

§16-12-6.3 entitled "Guaranteed issue for eligible persons" is amended to describe guaranteed issue time periods, to provide for extended medigap access from interrupted trial periods, and make technical non-substantive changes.

The HCFA Deductibles For Plans F And J (page A-29) is amended to cite the current schedule of annual deductibles.

All interested persons shall be afforded an opportunity to submit data, views, or opinions related to the proposed rules amendments, orally or in writing, at the time of the hearing. All persons wishing to submit written testimony shall submit five (5) copies of their written testimony by November 15, 2002, to the Insurance Division, Department of Commerce and Consumer Affairs, at: P.O. Box 3614, Honolulu, HI 96811 or 250 South King Street, 5<sup>th</sup> Floor, Honolulu, Hawaii 96813.

Persons who require special needs accommodations at the hearing are invited to call the Insurance Commissioner at 586-2790 at least four (4) working days prior to the hearing.

A copy of the proposed rules to be amended may be reviewed in person at the Insurance Division, during business hours 7:45 a.m. – 4:30 p.m., Monday through Friday at 250 South King Street, 5<sup>th</sup> Floor, Honolulu, Hawaii 96813. The cost of a copy (\$9.80) is due and payable at the time of pickup.

A copy of the proposed rules to be adopted, amended, or repealed will be mailed to any interested person who requests a copy, provided that the cost of the copy (\$9.80) and postage (\$2.21) are paid in advance. Request for a copy may be made either by writing, by visiting the Insurance Division at its office noted above, or by calling (808) 586-2790.

The full text of the proposed amendments is also available for review or download on the internet at no charge from the DCCA website:  
<http://www.state.hi.us/dcca>.

**KATHRYN S. MATAYOSHI  
DIRECTOR  
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS  
STATE OF HAWAII**